

Claim 1. (Cancelled)

Claim 2. (Cancelled)

Claim 3. (Cancelled)

Claim 4. (Cancelled)

Claim 5. (Cancelled)

Claim 6. (Cancelled)

Claim 7 (New). An article of manufacture, a physical document, in the form of a fraction of the title to (or equivalently, a fraction of a deed of trust to) the land and dwelling of individual single-family homes, acquired by a business entity for the purpose of protecting the individual single-family home's equity against loss upon eventual sale, created using the following equations identified in the Specification, wherein;

$\$HPV$  (defined as HAVEN premium value) =  $\$SP - \$PP - CI\% * \$PP$  where

$\$SP$  = home sale price after ownership period

$\$PP$  = home purchase price

$CI\%$  = compound appreciation of area real estate index =  $(1 + I\%)^T$  (after T years).

The HAVEN return of value (\$HR) equation can be written as follows;

$\$HR = \$HYP * T * F\%$  where

$\$HYP$  = total yearly payments

$T$  = years of payments

$F\%$  = fractional premium return rate (function of time and appreciation trend)

The factor  $F\%$  determining the amount of premium return can take on several values;

For  $\$HPV > 0$  (price appreciation above the average trend line),  $F\%$  can be a function of several variables, is set by agreement of the buyer, but always ranges between 0 and 1. Usually  $F\%$  would be  $= 0$  in this case since the owner did better than average appreciation. Figure 4 area labeled "A" shows this case.

For  $\$HPV = 0$ , then  $F\% = 0$  and  $\$HR = 0$  (price appreciation was average).

For  $\$HPV < 0$ , then  $F\%$  ranges linearly from 0, when appreciation was average, to 1 when there was no appreciation, and there is some premium return ( $\$HR > 0$ ).

Figure 4 area labeled "B" shows this case.

The final case is when the homeowner shows a loss on the sale of the home; that is, when  $(\$SP - \$PP) < 0$ , then the return  $\$HR = (\$PP - \$SP)$  which guarantees that the homeowner suffers no loss of principle on the sale. Another option is to collect the premium in a lump sum, but this usually will increase the mortgage value (if the owner can't come up with the extra money), upon which the homeowner is paying interest charges.

Claim 8 (New).            An article of manufacture according to Claim 7 created with or without the use of a computer, to protect the value of residential real estate, comprising;

means in the form of a financial business entity to administer the creation and distribution of said financial products, wherein said business entity functions comprise;

means to secure fractional ownership of said residential real estate, wherein said means is selected from a group comprising: a purchase or loan of said fractional ownership of said real estate, or a combination of both;

means to provide a form for said financial product, wherein said form is selected from a group comprising;

deeds of fractional ownership of said real estate, fractional ownership mortgage backed securities (MBS) of said real estate, loan notes of said fractional ownership of said real estate, insurance policies on said fractional ownership, or a combination of said forms;

means to provide for a source of funds to create and sell said financial products to public markets in forms selected from a group comprising;

exchange traded funds (ETF), commodity futures, index funds, or annuities.

Claim 9 (New). An article of manufacture according to Claim 7 wherein said means to secure fractional ownership of said residential real estate is in the form of a direct purchase by said financial business entity of a fractional share from each participating residential real estate property owner, wherein said financial

purchases are secured by fractional deeds of trust on the purchased properties, and wherein;

any profit from the sale of a participating real estate property is disbursed in a manner selected from a group comprising; retention of all profit by said financial business entity, or a sharing of profits above a set appreciation rate with said property owner as an inducement to participate in creating said financial product.

Claim 10 (New). An article of manufacture according to Claim 7 wherein said means to secure fractional ownership of said residential real estate is in the form of a loan note to said financial business entity of a fractional share from each participating residential real estate property owner, wherein said loan notes are secured by fractional deeds of trust on the purchased properties, and wherein;

any profit from the sale of a participating real estate property is disbursed in a manner selected from a group comprising; return of said loan note to said property owner with no accrued interest or payment, or a sharing of profits from the sale of said property above a set appreciation rate with said property owner as an inducement to participate in creating said financial product.

RCE Claim 11 (New). An article of manufacture according to Claim 7 wherein said means to secure fractional ownership of said residential real estate is selected from a group comprising;

a no-cost transfer to said financial business entity of a fractional share from each participating residential real estate owner wherein said no-cost transfer of fractional deeds of trust on the purchased properties pays for insurance against loss of said owner property value, or:

payment of premiums to said financial business entity for insurance against loss of said owner property value, and wherein;

any profit from the sale of a participating real estate property is disbursed in a manner to provide an inducement to participate in creating said financial product, selected from a group comprising;

no return of the original value of said no-cost transfer of fractional deeds of trust on the purchased property if said property owner sells his property at a profit, or a sharing of profits from the sale of said fractional deeds of trust on said property above a set appreciation rate with said property owner, or;

return of a fraction of said premiums for insurance against loss of said property.

Claim 12 (New). An article of manufacture according to Claim 7 created using the key equations identified in Figure 2 Item #1 and Item #2 which utilize the current U.S. Census Data identified in Figure 1 to estimate the Appreciation Trend Line shown in Figure #4, and the additional factors in Figure #3, and wherein;

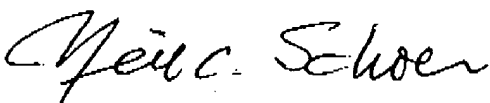
said means to secure fractional ownership of said residential real estate is selected from a group comprising;

a direct purchase by said financial business entity of a fractional share from each participating residential real estate property owner secured by fractional deeds of trust on the purchased properties, or;

a loan note to said financial business entity of a fractional share from each participating residential real estate property owner that is secured by fractional deeds of trust on the purchased properties, or;

a no-cost transfer to said financial business entity of a fractional share from each participating residential real estate property owner wherein said no-cost transfer of fractional deeds of trust on the purchased properties pays for insurance against loss of said owner property value, or;

payment of premiums to said financial business entity for insurance against loss of said owner property value.

/Neil C. Schoen/  2/21/09